

UNITED STATES OF AMERICA  
FEDERAL ENERGY REGULATORY COMMISSION

Rules Concerning Certification of the Electric  
Reliability Organization; and Procedures for The  
Establishment, Approval, and Enforcement of  
Electric Reliability Standards

Docket No. RM05-30-000

**Second Technical Conference  
on Electric Reliability Standards.  
Reliability Standards; States Role in Reliability; Compliance  
and Enforcement of Standards  
Agenda  
December 9, 2005**

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| <b>11:00 a.m.</b> | <b>Opening Remarks</b><br>Joseph Kelliher, Commission Chairman  |
| <b>11:15 a.m.</b> | <b>Introductions</b><br>Joseph McClelland, Director, Division of Reliability, Office of Markets,<br>Tariffs, and Rates, Commission  |
| <b>11:30 a.m.</b> | <b>Panel I: Establishing and Processing Electric Reliability<br/>Standards</b><br><br><b>The Energy Policy Act of 2005 (EPAct 2005) authorizes the<br/>Commission to approve standards that provide for reliable operation<br/>of the bulk power system and to remand those that do not.</b><br><br>The panelists will provide insight into the following questions: <ul style="list-style-type: none"><li>• What criteria should be used to determine reliability standards?</li><li>• How should “best practices” be incorporated into developing reliability standards?</li><li>• What process should the Commission use in evaluating reliability standards?</li><li>• What are the implications for the Electricity Reliability Organization (ERO) if a reliability standard is remanded?</li><li>• What process should be used by the ERO for handling remanded</li></ul> |

reliability standards?

- How are entities such as distribution providers, load serving entities, generator owners, generator operators, etc. covered by the reliability standards approved by the Commission?

Participants:

Tom Wallace, Director General, Electricity Resources Branch, Energy Policy Sector Natural Resources Canada

Gerry Cauley, Director – Standards, North American Electric Reliability Council

Michael J. Kormos, Senior Vice President, Reliability Services, PJM (Representing the ISO/RTO Council)

Michael Desselle, Office of the NAESB Board of Directors and Director, Public Policy for American Electric Power, North American Energy Standards Board

Mark Bennett, General Counsel/Director of Policy Electric Power Supply Association

**12:45 a.m.**

**Lunch Break**

**1:30 a.m.**

**Panel II: State and Provincial Role in Reliability**

**EPAct 2005 states that it does not preempt the authority of any state to take action to ensure the safety, adequacy, and reliability of electric service within that state, as long as such action is not inconsistent with any reliability standard. It also directs the Commission to establish a regional advisory body if at least two-thirds of the states within a region petition. A regional advisory body shall be composed of one member from each participating state in the region, appointed by the Governor of each state, and may include representatives of agencies, states, and provinces outside the United States.**

The panelists will provide insight into the following questions:

- What role should states and provinces play with regard to reliability standards?
- How should the Commission receive input for approval of reliability standards from the states, provinces, Regional Entities, and ERO?
- What test should the Commission use to determine whether a state-developed rule conflicts with reliability standards?
- When should Regional Advisory Bodies be convened and for what purpose?
- What role should the states, provinces, Regional Entities, ERO, and the Commission play in determining resource adequacy?

Participants:

James Gallagher, Director, Office of Electricity and Environment, New York Public Service Commission

Kellan Fluckiger, Executive Director, Electricity Division, Alberta Department of Energy

Allen Freifeld, National Association of Regulatory Utility Commissioners Committee on Electricity, Commissioner, Maryland Public Service Commission

Robert L. Trapp, Assistant Director, Division of Economic Regulation Florida Public Service Commission

Shanna Brown, Deputy Director, Washington D.C. Office, Western Governors Association (reading statement of William Chamberlain, Chief Council, California Energy Commission)

Sonny Popowsky, Consumer Advocate of Pennsylvania, National Association of State Utility Consumer Advocates

**2:45 p.m.**

**Break**

**3:00 p.m.**

**Panel III: Compliance and Enforcement**

**EPAct 2005 gives the ERO the power to enforce reliability standards with penalties for violation of standards approved by the Commission and files notice and record of the proceeding with the Commission. Penalties shall be subject to review by the Commission. The Commission may take such action as is necessary or appropriate against the ERO or a regional entity to ensure compliance with a reliability standard or any Commission order affecting the ERO or a regional entity.**

The panelists will discuss the following questions:

- What process should be used to monitor reliability standards compliance and determine violations?
- How should the ERO coordinate and oversee the regional entities' compliance efforts?
- How should penalties be determined? And violations disclosed?
- What data should the Commission and the ERO collect to enforce reliability standards?
- Should there be different levels of penalties for different types of reliability standards?
- How do self-regulatory organizations assure compliance, conduct investigations, and coordinate enforcement with federal agencies?

Participants:

David W. Hilt, Vice President – Compliance, North American Electric Reliability Council

Jim Fama, Executive Director, Energy Delivery, Edison Electric Institute

Steve Nichols, Institute for Nuclear Power Operations

James Luehman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission  
Steve Nichols, Institute for Nuclear Power Operation

John Polise, Assistant Chief Counsel, U.S. Securities and Exchange Commission

Emily P. Gordy, Senior Vice President and Director of Regional Enforcement, National Association of Securities Dealers

**4:15 p.m.**

**Closing Remarks**

Joseph Kelliher, Commission Chairman